

**SENATE INDIAN AFFAIRS COMMITTEE**

**June 13, 2001**

**Neal McCaleb Confirmation Hearing**

**Statement of the Honorable Tim Johnson**

**United States Senate**

Chairman Inouye, Ranking Member Campbell, and other members of the Committee. I would like to begin by congratulating Mr. McCaleb, and by thanking him for taking the time to meet with me last week. I am heartened by many of his comments. I would like to take the opportunity to expand on some of my remarks made during our visit.

Throughout congressional history, members in both houses have struggled with the ways to ensure Native Americans have the economic opportunities they need to become more economically prosperous - while retaining their strong cultural, sovereign and traditional ties to their history. It is a fine line we walk between cultures in finding a "solution" to the ails we still find in Indian Country - especially in my State of South Dakota.

South Dakota is home to nine - mostly large, land based - tribes who have entered into a treasury of Treaties with the government of the United States of America. These tribes have gone through a long, traumatic history with the United States. There has been a massive reduction of land and natural resources. Disputes between boundaries and claims to mineral and land rights continue until this very day. Through all of our trials and tribulations, we have not been able to find a "silver bullet," "one size fits all" solution.

Throughout my 14 years in Congress, I have found one element can be the most successful of all the proposals. This is educating our Native Americans from young to old, from Headstart to graduate education. Without a skilled work force, we are never going to be able to develop a stable economic base on the reservations and in the communities.

I was pleased that President Bush has made education one of his top priorities. However, I am concerned that we are not going to dedicate enough resources in educating our American Indians, Alaska Natives and Hawaiian Natives. In South Dakota alone, we have 22 elementary and secondary schools, and one dormitory within the BIA system.

Additionally, we cannot hope to educate our nations young people when the facilities they have are severely inadequate, over crowded, and crumbling before our eyes. Mr. McCaleb, I invite you to visit South Dakota again and specifically visit our elementary, secondary schools, and its five tribal colleges. You will find schools that resemble those in the third world and even worse. Most of our schools are overcrowded, and in major need of repair. Yet we do not find any South Dakota schools on the "active" school construction replacement priority list.

In the list which was published most recently in the federal register, we fortunately find three schools in

the top twenty. However, in the next two to three years if we continue funding replacement facilities at current levels, we are only going to be able to replace two of South Dakota's schools. If I were to offer a perfect solution to the reduction of the backlog, I would appropriate over \$2 billion to cover the backlog. This just simply is not feasible.

One way I propose to reduce the backlog of schools on the priority list is by authorizing schools to issue privately bonds. I was heartened to hear that you supported such a proposal, and would urge your office to take a closer look at S. 243, the Indian School Construction Act, and provide official input from the Bureau of Indian Affairs. My proposal establishes a bonding authority to use existing tribal education funds for bonds in the municipal finance market which currently serves local governments across the Nation. Instead of funding construction projects directly, these existing funds will be leveraged through bonds and tax credits to fund substantially more tribal school replacement construction projects.

Additionally, I am pleased that the Bureau has decided to review the current priority list. I would hope that this would present a more balanced ranking for schools in need. I am supportive of S. 211, the Native American Education Improvement Act. This act calls for the review of the priority list on a regular basis and mandates the Assistant Secretary to provide Congress with the rationale behind its decisions. It is my hope that the Bureau of Indian Affairs will dedicate more time and resources on the agency level to ensure that all of these crumbling schools have applied for the replacement list.

Similarly, Tribal Colleges have long been another of my priorities. Last year, not only were we successful in obtaining the highest level of funding for operating the colleges; we were successful at acquiring the first ever appropriations for tribal college facilities. I am pleased to again be apart of this effort to bring our Tribally Controlled Colleges and Universities to the standard every other land grant college enjoys. It is my hope that these colleges and universities would benefit from the continued support of the administration.

On a more somber note, Mr. McCaleb, you have inherited a legacy of gross mismanagement and negligence. This tragic issue crosses party lines and countless Administrations. The relentless issue of the Trust Fund accounts had come to its pinnacle during the previous administration, and it is now on your shoulders to ensure this situation is remedied promptly. I have found myself in the middle of this debacle since my days as a Member of the House of Representatives where I served on the Trust Fund Taskforce. Unfortunately, this problem has snowballed and accompanied me to the Senate. Attempts have been made to identify, account for, and clean up the trust records held in the federal government's possession. More can, should, and will be done.

I do not expect an overnight solution to this monumental problem. In fact, I hope that care and close attention is finally given to these documents. Far too much time and resources have been exhausted attempting to remedy this deplorable situation, which affects far too many of South Dakota's poorest people. This is one of the most urgent problems we face in Indian Country, and there are so many more problems that abound from, or the solutions stem from the inability to come to terms with this issue. Congress has been to this table at least ten times in the past few years. I do not want to revisit

this issue ten more.

Interest remains to afford you the resources necessary to assist you in this endeavor. As a member of both the Senate Indian Affairs Committee and the Appropriations Committee, I look forward to closely working with your office and the Office of the Special Trustee on bringing the issue of missing and unaccounted for documents to a close.

I appreciate your eagerness and willingness to take on this daunting task of Assistant Secretary of the Bureau of Indian Affairs. I would encourage you to continue to work with me and my office in the future. I wish you and your family the best of luck!